



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **HCR 216** HLS 10RS 4869

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> June 24, 2010	1:11 PM	<b>Author:</b> ROBIDEAUX
<b>Dept./Agy.:</b> Revenue		
<b>Subject:</b> Suspend Excise Tax On Certain Cigars and Tobacco		<b>Analyst:</b> Greg Albrecht

TAX/TOBACCO TAX

EN -\$45,000 GF RV See Note

Page 1 of 1

Suspends, from Aug. 10th, 2010, through Aug. 13th, 2010, the state excise tax on cigars and smoking tobacco given away by a dealer

Suspends the excise tax on cigars and smoking tobacco when these products are given away for advertising or any other purpose whatsoever. The suspension is effective for four specific days, August 10, 2010 through August 13, 2010.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
Annual Total	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	(\$45,000)	\$0	\$0	\$0	\$0	<b>(\$45,000)</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
Annual Total	<b>(\$45,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$45,000)</b>

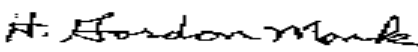
EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

The resolution intends to target the tax suspension to sample products given away at the International Premium Cigar and Pipe Retailers Association convention being held in New Orleans on the days of the effectiveness of the suspension. This same convention was held in New Orleans in 2008, and the Department of Revenue reports collecting approximately \$38,000 of excise tax from participants self-reporting and remitting their excise tax liabilities (an additional \$19,000 of sales tax was also collected). The Department expects that collections this year would be somewhat more given last year’s experience and its presence at the convention informing participants of the appropriate liabilities. On that basis this excise tax suspension might be expected to result in approximately \$45,000 of lost excise tax revenue from this particular event.

Note: The actual suspension language of the resolution applies only to the excise tax, is general in nature and does not specify this particular event. The estimated revenue loss above is only excise taxes and is specific to only this particular event.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$100,000 Annual SGF Cost	<b>H. Gordon Monk</b>
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	<b>Legislative Fiscal Officer</b>